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A MANAGEMENT PLAN FOR MASSACHUSETTS

IMPLEMENTATION PROGRESS REPORT

THE GOVERNOR'S MANAGEMENT TASK FORCE
THE COMMONWEALTH OF MASSACHUSETTS

774/120

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TO: PARTICIPANTS AND SPONSORS
THE GOVERNOR'S MANAGEMENT TASK FORCE

It is a pleasure to submit to you this summary on the progress made by Governor Michael S. Dukakis and his administration in implementing the recommendations of The Governor's Management Task Force. Our original document--A Management Plan for Massachusetts--was presented to the Governor in May 1976. Information contained in this report is based on the first seven months of implementation activity--through December 1976. It is the first comprehensive review of the administration's accomplishments.

Many of the changes taking place represent the introduction of fundamental management concepts. These are discussed in the summary section together with other overview information. The body of the report highlights specific implementation achievements of the agencies. The charts in the final section statistically summarize the results for each Secretariat.

Throughout this implementation period, the Board of Directors of The Governor's Management Task Force is meeting frequently with the Governor and many of his key administrators. We have been impressed by the initial progress and are supportive of the continuing efforts to make Massachusetts state government more effective and responsive to public needs.

Action on many recommendations still needs to be completed or, in some cases, initiated. However, a strong desire for increased efficiency has already penetrated the various levels of state government. Agencies will continue to report quarterly on their progress while the monitoring of implementation efforts will be an ongoing activity. Therefore, we will keep you informed as the program proceeds.

Sincerely,

Bernard O'Keefe

Bernard J. O'Keefe
Chairman

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SECTION I

SUMMARY OF IMPLEMENTATION PROGRESS

SUMMARY OF IMPLEMENTATION PROGRESS

Massachusetts was in the midst of a financial crisis when Governor Michael S. Dukakis took office in January 1975. During the preceding five years, annual expenditures had almost doubled. In addition, minimal industrial development had caused a substantial erosion of the tax base, resulting in a $600-million deficit for fiscal 1975. Hampered by poor management practices, government personnel were ill-equipped to meet the harsh demands imposed by limited revenue resources.

To help resolve Massachusetts' problems, Governor Dukakis called on the private sector to conduct an intensive review of Executive Branch operations. The aim was to improve overall operating effectiveness and the delivery of vital services. Approximately 300 organizations participated in The Governor's Management Task Force, providing the full-time services of 77 management specialists and the total financing for this program.

The resulting task force report contained 807 recommendations to improve government services. The majority of the proposals needed only executive action for implementation. Legislative changes were required for the remainder except for two constitutional amendments. In addition to the projected operational improvements, net financial returns were estimated at $319-million in annual and $41.5-million in one-time benefits.

Upon receipt of the Management Plan for Massachusetts, Governor Dukakis launched a comprehensive implementation program. Each Secretariat was directed to develop individual implementation plans and establish priorities for the task force proposals. The Governor also requested that, whenever possible, the plans outline additional management changes the agencies felt would improve their administrative efficiency. An internal coordinator was designated in each Secretariat to supervise the implementation projects. Day-to-day responsibilities were delegated to individual project managers at the agency level.

The Executive Office for Administration and Finance assumed overall responsibility for the implementation program while the Board of Directors of The Governor's Management Task Force provided continued guidance. Warren King and Associates, the consultants on the original task force activities, and Richard Nicolazzo, a communications consultant, were retained to assist the Commonwealth in its implementation activities. Using procedures and training materials developed by the Executive Office for Administration and Finance and the program consultants, agency staffs began submitting quarterly progress reports. The State Secretary agreed to participate in this monitoring system, but the State Treasurer decided to issue a separate report. The Governor also asked the Massachusetts Taxpayers Foundation to verify all agency financial claims on a quarterly basis and report the results.

Implementation Highlights

The latest projections indicate over $162-million in recurring annual benefits will be realized when the current implementation projects are completed. As of December 31, 1976, nearly $59-million in annual benefits had already been identified. A portion of this involves personnel actions for which the monetary impact could not be verified because of the nature of the state's personnel and budget systems. However, the overall personnel appropriation for fiscal 1977 is approximately $40-million below the fiscal 1975 base used by the task force. The Governor has also requested the Secretariats to absorb the additional $70-million in recently negotiated wage increases to hold down operating budget requests.

In the preface to its report, the task force noted that the financial benefits associated with its recommendations would not be immediately attainable. A goal of 25% — or $75-million — was identified as a reasonable objective by the end of fiscal 1977. Details on the progress achieved by each Secretariat are contained in Section II while charts with supporting data are provided in Section III, Statistical Information.

The task force noted six problems which transcended individual agency operations in the Overview section of its report. These were outlined as six general recommendations and constitute fundamental issues which have been given priority by the Governor. Actions taken to date on these key areas are as follows:

☐ The first problem was the overall lack of accountability in many existing organization structures. In response, six of the 10 Secretariats have filed reorganization bills. They address 21 task force proposals for organization improvements. Pending legislation encompasses the reorganization of the Executive Office for Administration and Finance, restructuring of the Department of Corporations and Taxation, reorganization of the Department of Food and Agriculture in Environmental Affairs and realignment of family and children's services functions in Human Services. Another 10 reorganization proposals have been implemented by executive action. The changes are characterized by a desire to place managerial responsibility at appropriate levels and streamline operating structures.

☐ The second major issue dealt with giving more line operating and budget authority to the cabinet secretaries. The administration feels it would be unwise to file enabling legislation at this time. However, the functional authority of the cabinet secretaries has been greatly strengthened through executive actions. Budget allocations must now be approved by the secretaries for the agencies under their jurisdiction. In addition, these individuals must review all personnel transactions and purchase-of-service agreements before they can be submitted to the Executive Office for Administration and Finance. These approval requirements have enhanced the ability of the secretaries to manage their constituent agencies.

☐ A reorientation of the entire Commonwealth personnel system was proposed as the third major recommendation by the task force. Because of the extensive changes that were outlined, the Division of Personnel Administration has had to develop priorities and set implementation deadlines over a period of three years. The proposals which have been given initial priority include employee reclassifications, establishment of a statewide payroll/personnel system and methods to reduce the employment examination backlog.

Reclassification of management positions and introduction of a new management pay plan are projected for completion by summer 1977. The remainder of the Commonwealth's employees will be reclassified by December 1978. Bids have been let by the Executive Office for Administration and Finance for the development and implementation of an integrated payroll/personnel system. As of the end of November 1976, the examination backlog had been reduced from 3,600 to 2,600. The use of broad-banded examinations for managers and supervisors should produce even more dramatic results.

☐ The fourth issue addressed by the task force was the need for a comprehensive reform of the budget system. Although proposals to relax legislative control over the budget and establish a budget task force are not considered feasible at this time, some progress has been made. One of the changes is a requirement that agencies submit their expenditure plans to Administration and Finance at the beginning of the fiscal year. Subsequent allotments can then be processed automatically in line with the approved agency budget. Full-year allocations are now being made for items such as

fuel oil. Several improvements have also been made in the 1976 edition of the budget procedures manual. As recommended by the task force, agencies are now required to provide substantial justification detail when requesting funding for various activities. The data to be supplied includes five-year projections, budget-year objectives, milestones for progress monitoring and identification of activity cost centers. The overall budget cycle has been advanced to provide more time for preparation and review. In addition, a new capital outlay budget procedures manual has been issued to outline changes in this area. New procedures provide for the identification and termination of all budget authorizations which are no longer needed.

☐ Several steps have been taken in regard to the fifth task force priority — providing funds to meet future financial obligations of the Commonwealth. A Funding Advisory Committee has been established under the jurisdiction of the Retirement Law Commission to study issues associated with the unfunded liability of public employee retirement systems. The committee, which issued its report in October 1976, recommended that a new policy replace the "pay as you go" financing approach now used. The new policy would require an annual payment equal to the normal cost of the systems plus amortization of the unfunded actuarial liability over a period of 40 years. Each of the long-term cost amounts would be periodically updated to remain at a level percentage of the payroll. Governor Dukakis has included $12.7-million in his fiscal 1978 budget proposal to initiate the funding process.

☐ The final area of major concern was the need to restructure existing computer operations and develop new data processing systems. The Secretary of Administration and Finance designated a committee to implement a centralized data processing activity. Members included 60 representatives from four Secretariats. However, the committee proposed the formation of a Bureau of Management Systems Design in the Executive Office for Administration and Finance. The bureau would serve as the statewide policy, planning and coordination agency for data processing. The final committee report included recommended standards for security, input/output control, purchasing criteria and program documentation. A tentative organization structure and staffing proposal was also developed for the bureau. The Governor's Executive Order 132 established the Governor's Advisory Committee on Computers and Data Processing. Members include three cabinet secretaries and four private sector representatives. In October, the Executive Office for Administration and Finance issued a request for proposals on new data processing facilities and systems for the major administrative applications in the Commonwealth. These included system parameters for a statewide payroll/personnel system, an integrated budget/revenue application, comprehensive purchasing applications and a legislative system. Subject to legislative approval, the contract will be awarded in March 1977. The systems, which will be developed over the next three to five years, will be used to implement budget and personnel improvements recommended by the task force. The Department of Public Welfare has also issued a request for proposal to a federally supported Medicaid Management Information System. Use of the system could save $10-million per year and the development costs — $1.8-million — are 90% federally reimbursed.

Two of the 807 task force recommendations called for constitutional amendments and 582 were identified as requiring executive action. The remaining 223 recommendations required legislative action. Approximately 393 of the executive action proposals were accepted or modified by the agencies. Of the legislative, 145 have been accepted in some form by the Secretariats. Based on the implementation plans developed by these organizations, many of the legislative changes will actually be made by executive action or alterations to regulatory activities and the budget process.

The Governor and various agencies have filed a comprehensive legislative package which addressed more than 80 task force recommendations. Passage will enable the

Commonwealth to save $4-million each year and will generate $7.1-million in additional annual revenues. The legislation focuses on high priority task force proposals for reorganization, increased agency responsibility and overall management improvements. A portion of the package also addresses systems problems. This calls for the transfer of functional responsibilities from one agency to another, the recycling of licensing or inspection activities and proposed closings of certain state-operated facilities. In addition, a comprehensive bill increases more than 140 existing fees. The purpose of this legislation is to ensure that government services are paid for by those who use them rather than by general taxpayers. Implementation will make it possible to determine the value of these services more accurately.

Legislation dealing with improvements to general management activities include issuance of traffic summonses with pay-by-mail waivers, prepayment of excise taxes on motor vehicles and streamlining of current real estate procedures. It also proposes renewal of certain licenses on a biennial basis and an increase in the investigative authority of the Welfare Auditing Bureau.

The results documented here are encouraging. However, they are only a start. The following section provides information on the implementation results which have been achieved by the Office of the Governor, State Secretary and the 10 Secretariats.

SECTION II

GENERAL GOVERNMENT AND SECRETARIATS

OFFICE OF THE GOVERNOR

Improvements in the functions of this office have set the tone for the entire implementation program. As recommended by the task force, the Governor has consolidated key staff positions, reduced his predecessor's budget by 50% and strengthened the policy and management role of his cabinet. Of the seven recommendations proposed for the Office of the Governor, Lieutenant Governor and Executive Council, six have been accepted for implementation.

Great emphasis is being placed on the use of cabinet coordinators, meeting agendas and frequent updates of priorities and reports. Staff unit heads meet weekly to monitor activities. In addition, the Governor's scheduling office also convenes weekly meetings to coordinate staff and gubernatorial appointments. As recommended, the Governor is relying heavily on the Office of State Planning to provide assistance in formulating long-range service and program plans.

Procedures for making executive appointments have been improved. A computerized system has been developed to list the various boards and commissions with expiration dates of all appointments to these bodies. In addition, cabinet officers have designated coordinators to develop nomination and screening procedures. In Secretariats which have a number of appointed officials, committees have been established for screening and nomination. The work of these committees is coordinated through a special unit in the Office of the Governor.

Working conditions in the office have been improved and consolidated. Cabinet coordinating personnel are now located adjacent to the Governor's quarters. Press, appointment and advisory staff have been similarly relocated. Miscellaneous functions have been moved to more appropriate agencies. For example, the Governor's Highway Safety Bureau has been placed under the Department of Public Safety and the Massachusetts Commission Against Discrimination is now in Administration and Finance. The Energy Policy Office has been transferred to the Executive Office of Consumer Affairs.

The Lieutenant Governor is working with the Office of Federal/State Resources in Administration and Finance to develop a comprehensive government information system. Once in operation, it will record and report patterns of federal funding allotments to Massachusetts, then compare them with other states. A system which utilizes federal outlay tapes has already been tested.

The Governor has twice filed a bill to abolish the Executive Council, but the legislation was not passed. He has also prepared a bill to transfer license applications for public warehouses from the council to the Department of Public Safety.

STATE SECRETARY

The State Secretary has accepted 10 of the 12 task force proposals made for his office. To date, $350,000 in annual savings has been realized. Because several proposals focused on previously identified problems, four projects were completed shortly after the implementation program began.

The first involved the condensation of summary information on ballot questions. To implement this proposal, the State Secretary worked with the Attorney General to develop more succinct summaries. As a result, the size of both the ballot and the

information booklet was reduced for an annual saving of $15,000. Cooperation is continuing between these two offices to resolve certain legal questions and to increase the annual benefit to $20,000.

The second project encompassed elimination of the printing of sample Spanish ballots by outside vendors. Removing district references for candidates on the primary ballots further reduced printing costs from $90,000 to $59,000.

Addressing voter information to "occupants" rather than registered voters by name was the third project completed by the State Secretary. Other improvements included editing the pamphlet to make it more readable and inserting a sample ballot and checklist to take to the polls. An election day survey showed increased utilization of the information. The annual saving amounts to $70,000.

The staff in the Division of Vital Statistics was reduced as a result of the office's fourth project. This operation was transferred to the Department of Public Health to streamline information handling and consolidate processing and storage activities. Prior to the transfer, two positions were eliminated for an annual saving of $14,000. The consolidation should make it possible for the Department of Public Health to abolish two more positions for a total annual benefit of $30,000.

The use of volunteer consultants from the private sector has enabled the State Secretary to save $120,000 in printing costs for American Party ballots. Other ballot modifications accounted for savings of $32,000 in 1976 and are expected to ultimately reduce expenditures by $150,000 per year. In addition, the use of a text management approach in printing new Acts and Resolves should produce an annual saving of $50,000.

Projects now underway include the installation of a data processing system to process fees. Initial savings amount to $50,000 while the total benefit is estimated at $550,000. Changes are also being made in public records and management control procedures. Submission of legislation to improve notary public activities and fees has been postponed. However, a staff reduction has already achieved a $13,000 benefit.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Of the 195 recommendations made for this Secretariat, 148 were accepted, 21 rejected and 26 are undergoing further study. To date, 43 projects have been implemented for an annual benefit of over $13.5-million. A total of 73 projects have been established for the remainder of the accepted recommendations. Full implementation could generate an additional annual benefit of $12-million.

A comprehensive reorganization bill has been prepared to consolidate activities of the Secretariat under four major departments — Personnel, Budget and Management, Central Services and Revenue. The enabling legislation would also increase the investigating powers of the Bureau of Welfare Auditing, permit purchasing agents to negotiate contract agreements when bidding procedures fail, revise current lease procedures and transfer responsibility for service contracts to the state's Purchasing Agent.

The Office of Employee Relations and the Division of Personnel Administration have developed new procedures for collective bargaining and contract administration. Training sessions have been held to improve labor relations activities in the various

agencies. A computerized system has been implemented to identify the cost impact of economic proposals made during contract negotiations. In addition, survey information on public sector and industry wages and benefits was developed and utilized during negotiations. Federally funded training sessions were held to explain new collective bargaining agreements as well as grievance and disciplinary procedures to labor relations personnel at the department level.

The Bureau of Welfare Auditing has requested a staff increase of 10 in its fiscal 1978 budget. This includes nine federally funded investigators and accountant/auditors. Improved investigations should increase recoveries to the Department of Public Welfare by $350,000 per year. A study will be made to determine the potential for using contracted auditing services to detect welfare fraud.

The Massachusetts Commission Against Discrimination has received a federal grant of $71,000. Part of the money is being used to implement an automated management information system to help review cases. Installation is scheduled for September 1977. The commission has also completed its codification and clarification of current antidiscrimination laws. Work is underway to complete a revision of interpretive guidelines and procedural rules.

The Department of Corporations and Taxation has begun a functional reorganization. As the new revenue and audit information system is implemented, staffing reviews are being conducted to determine how to use personnel resources more effectively. The department estimates potential savings should amount to $380,000 of which a $250,000 cost avoidance has already been realized.

A centralized audit bureau has been established. In conjunction with the new information system, it should increase audit production by $2-million annually. The audit function for estate taxes is expected to be transferred to the bureau by January 1978. This will permit time for administration of the new estate tax law to be finalized. The department estimates that centralization of the audit function has produced $9.8-million in revenue to date.

The Alcohol, Cigarette and Motor Vehicle Excise Tax Sections have been transferred to the Sales Excise Bureau resulting in a cost avoidance. Personnel reassignments should increase revenues by $2-million to $3-million annually. Computerized files are now being installed in the Corporation Liability Records Section with an associated saving in personnel costs of $58,000.

Accounting and auditing functions in the Bureau of Accounts are being restructured to meet demands for improved financial data. A task force has been established to analyze the bureau's structure, programs and activities. A Joint Secretarial Advisory Committee has also been designated by the Governor to consider future functions of the bureau.

Legislation has been filed to transfer responsibility for beano, raffle and bazaar taxes to the Lottery Commission and to permit direct wiring of transfer payments for motor fuel taxes. If passed, this latter change would increase revenues by $148,000 in fiscal 1978 and $325,000 in fiscal 1979. Packet mailing of tax forms has been instituted with an estimated saving of $107,000 in fiscal 1977 and $205,000 in fiscal 1978. The department has proposed a bill to convert to decal cigarette stamps to combat counterfeiting and bootlegging. The cost to implement the decal system is estimated at $300,000 while projected revenues are expected to total $4-million per year.

The Purchasing Agent has begun a major reorganization program. It encompasses creation of a research and analysis function to review bidder qualifications and redistribution of division work loads. Overall management responsibilities are being

realigned, testing procedures revised and the laboratory operation is eliminated in the fiscal 1978 budget request. A Standardization and Specifications Committee has been convened to identify areas where contract buying should be expanded. Bidding procedures have also been streamlined and vendor bond premiums eliminated.

The reorganization of the Division of Personnel Administration has reduced budget requirements from $5.4-million in fiscal 1975 to $4.56-million for fiscal 1977. The savings achieved in fiscal 1976 amounted to $220,000. Testing and classification activities have been combined as have activities related to the administration of examinations. Recordkeeping for state and municipal employees has been placed under a policy group which will consider delegation of the records activity to state agencies and municipalities. An appeals section has also been established, reporting to a deputy administrator.

Substantial progress has been made in reclassifying the state's employees. Full implementation will reduce the backlog of civil service exams substantially. A questionnaire has been developed to identify position responsibilities and a training program is in effect for internal staff and agency task force members. The department is making maximum use of substitute lists for certification to improve its recruitment activities. The current backlog of 2,600 tests will be reduced to 500 by June 1978. Legislation has been filed to authorize unassembled tests for professional positions which require licensing. A performance appraisal program is also being developed, with partial funding supplied by a federal grant.

Another project is underway to delegate responsibility for filling municipal posts to local personnel offices. Implementation could save $168,000 per year in state costs. Transfer of the labor service function to the Department of Employment Security is expected to reduce state salary expenditures by $175,000 per year. Legislation has been filed to provide equitable compensation for professional and management personnel. A fund of $100,000 has been set aside to conduct a professional study of management classifications and fringe benefits. Federal funding has been secured to assist in a program to revise department rules and procedures with regard to collective bargaining, delegation of authority and organizational realignments.

The task force strongly recommended a fully funded employee pension system within 40 years. This proposal was integrated into an overall analysis conducted by the Special Funding Advisory Committee of the Retirement Law Commission. The committee recommended a policy be adopted which would require an annual payment by the state equal to the cost of the systems plus amortization of the unfunded liability over 40 years. The Governor has included $12.7-million in his fiscal 1978 budget request to begin funding the state system. A contract has been awarded to computerize the records of the teachers' retirement system. Annual statements will be generated for members and the system will also provide check writing support capability.

Proposed alterations to existing investment procedures are being studied. Changes in the amortization formula to allow bond trades should provide an overall increase of approximately $2-million in income. Other proposals, including possible use of professional investment managers, are being investigated by a Special Investment Advisory Committee.

The Group Insurance Commission has completed a project to improve insurance bidding procedures. As a result, rates have dropped by an average of 0.8% for health coverage and about 12% for life insurance.

The Fiscal Affairs Division has been working with the Data Processing Committee to design a program budgeting and management reporting data base. Implementation of

the proposed system will provide the state with a means to measure the cost/benefit aspects of its programs more effectively. Substantial changes have been made in budget preparation procedures and new manuals have been issued.

The Bureau of Telecommunications is restructuring its operations and significant progress has been made in the development of a statewide telecommunications system. Installation of Telpak and Centrex extensions has reduced costs by $916,000. A central billing system is expected to generate more than $100,000 in savings annually. Improved control over telephone use has produced $90,000 in savings to date. In addition, the bureau has established a Telecommunications Advisory Committee to identify opportunities for further cost reductions and service enhancements.

As the result of a report issued by the Data Processing Committee, application needs were identified for a comprehensive financial management information system. It included components required to operate effective data processing services. Requests for hardware and software requirements have been developed based on the committee's findings. The application systems would include: personnel/payroll; budget/revenue; accounting; purchasing; and legislative. An advisory committee was also created by the Governor. Members meet monthly to review overall data processing needs in the state. It is now concentrating on the procurement activities related to the proposed financial management information system.

The Motor Vehicle Management Bureau has begun to centralize control of the state's fleet for an estimated saving of $500,000. Implementation of a computerized statistical data program and establishment of motor pools is expected to increase the projected savings. Plans are also underway to establish a statewide fleet safety program. In addition, the bureau has been working with the Department of Public Works to implement a bulk fuel program. As a result of this effort, the bureau has saved $177,000 and the department $285,000.

The Bureau of State Buildings has reduced costs by $200,000 through lease terminations with a further saving of $50,000 resulting from more efficient space utilization in the state-owned McCormack Building. The Bureau of Building Construction has achieved a cost avoidance of $600,000 through the use of contracted custodial services and upgraded the job specifications and salaries for clerks-of-the-works to ensure improved construction contract compliance.

EXECUTIVE OFFICE OF HUMAN SERVICES

There were 192 recommendations made for this Secretariat. Sixty-two were accepted, 60 have been modified slightly, 27 are being studied and 43 were rejected. As of December 31, 1976, actual annual benefits amounted to almost $39-million. An advisory committee consisting of task force members has been established to assist the Secretariat.

Certain structural changes have been made to increase the agency's management and policymaking capabilities. Two interagency committees have been established to deal with major health and social services issues. A third group has been formed to examine revenue activities. Legislation has been filed to consolidate the Office of Social Services and the Department of Youth Services into a new Department of Family and Children's Services and eliminate certain agencies and advisory boards. A coordinating committee, assisted by outside consultants, is reviewing proposed improvements in the area of food service.

The Department of Public Welfare is concentrating on improvements to service delivery and reduction of program costs. The hearings appeals process now provides a screening action at intake to streamline the overall procedure. Schedules have been increased and a management report will be used to evaluate the productivity of individual referees. The department is revising its regulations to make nonpayment of medical invoices an unappealable issue. To date, more than 1,600 appeals have been settled through administrative action alone. The improvements in the hearings process are expected to save the state more than $1.4-million. Electronic reporting equipment is being used at hearings to reduce the need for stenographers.

The task force recommended various steps to reduce errors in six programs administered by the Department of Public Welfare. The department has been working on implementing most of the recommendations. However, current systems in five of these programs do not allow for measurement of accomplishment against the task force goal of $33.7-million. In the remaining program, Aid to Families with Dependent Children error rates have dropped markedly. The total case error rate for ineligibility, overpayments and underpayments fell from 33.6% to 26.3% between July-December 1975 and July-December 1976. The cash flow value to the state and federal government of this achievement is estimated at $6-million. The new consolidated grant system contributed substantially to the reduction in error rates. This simplified method of calculating recipients' budgets reduced the potential for error because it eliminated individual allowances resulting from special circumstances, age of child and differences in budget groups.

In a continuing effort to reduce the amount of ineligibility and erroneous payments, caseworkers are giving priority to cases with high potential for closure and a client response system for status changes was initiated in January. File matches are being run regularly to identify recipients with other benefit sources such as unemployment insurance. The first match produced savings of $416,000. A new case administration and management system will be completed early this year to generate management reports and identify error-prone cases. Improved employee training is also being provided to reduce error rates. Orientation programs are available for new employees as well as instruction for beginning-level supervisors. The department is seeking outside assistance to develop programs for intermediate and advanced-level supervisors. Discussions are underway with a community college regarding a skills course for department clerks and a project is underway to revise the current policy manual.

Bids have been let to develop a Medicaid Management Information System to help control program costs. Implementation is expected to produce annual savings of $10-million, half in federal funds. Regional program advisors have been transferred to the central office and medical assistance cards are now issued monthly to reduce illegal use. A program instituted in September to collect overpayments to nursing homes is expected to yield a return of up to $1.2-million annually, half of which would be federal money. Screening of vendor applications has also been improved. Using a system devised by the task force, the department has designed a number of programs to improve vendor inspections and audits. These programs are currently saving $7-million yearly and these benefits are expected to increase to $24-million.

Combined mailing of documents to welfare recipients will begin late in March. Federal reimbursement controls and reporting functions have been improved while group care and indirect cost claims have been increased. The use of a personnel budgeting system would permit savings of $1.1-million in fiscal 1977. Half is federal money.

The Rate Setting Commission is merging the Bureaus of Non-Institutional Providers and Home Health Agencies. The Bureau of Long Term Care Facilities has undertaken a

project to improve its audit function. Base occupancy rates used to determine nursing home reimbursements have been increased to 95%. This allows more rapid movement of public assistance clients from hospitals, saving the state more than $1-million and the federal government some $450,000. The commission has also funded a capital cost data system which has increased federal reimbursements by $985,000. Completion of the system is expected to double this return. Limiting capital cost increases through changes in ownership has saved $1.1-million of which half is federal funding. The commission is also working with the Department of Public Welfare to analyze the potential for developing a flat rate structure for long-term care facilities. Audit programs would be based on facility profiles which analyze various expense elements. Legislation has been filed to deny the right to appeal interim rates.

The Department of Mental Health is reorganizing its central, regional and area offices. The central office restructuring will clarify line responsibilities, expand administrative services to include institutional management and improve contracting, fiscal and personnel functions. Regional and area reorganizations will define limits of authority and regionalize programs in order to improve continuity of client services and promote deinstitutionalization. The total benefit is estimated at $1-million annually.

An integrated management information system is being implemented by the department while improved billing procedures are being used to increase revenues. Additional income is expected to total $32-million annually. The additional income achieved in fiscal 1976 was $17-million. A $250,000 capital appropriation for Foxboro State Hospital has been reallocated to the facility at Westboro. This would preserve federal reimbursements of $1.25-million of which $1.19-million have already been secured.

The Department of Public Health has refiled a bill to revise its fee schedule. Institutional meal charges and rents for residential facilities have been increased. An extensive review of alternate uses for surplus institutional land has been completed by the department. The published report identified some $500,000 in property which could be sold.

The Soldiers Home at Holyoke is spending almost $1-million to repair its facilities. Two-thirds of this amount will be federally reimbursed. Rents and meal charges at both Holyoke and Chelsea have been increased.

Community development activities have been assigned to regional directors in the Office for Children while a central unit has been established to evaluate group care and placement agencies. Purchasing functions have been delegated to the regional offices. The Region 7 experiment has been abandoned for a saving of $90,000.

Job titles in the Department of Youth Services have been changed to reflect assigned responsibilities. Space has been consolidated in the central office and the Boston regional facility has been relocated. The Westfield and Roslindale facilities will be rehabilitated, pending passage of the fiscal 1978 capital outlay request. A specialized training program has been instituted for department personnel. It is 80% federally funded.

The Department of Correction has completed a major portion of its reorganization and regionalization program. The aim is to create a line management system capable of directing medium and minimum security facilities while increasing the accountability of existing correctional system elements. Changes in the industries program have increased inmate participation by 100% and sales revenues by 15% to 20%. The department expects to maintain a 20% growth rate over the next five years so that the program will eventually return a profit to the state. It is anticipated that revenues would increase by about $100,000 in fiscal 1977.

The Massachusetts Commission for the Blind is reorganizing along the lines proposed by the task force and its offices have been consolidated. An extensive program is underway to improve the productivity of the sheltered workshops. Sales have increased by 61% and the commission estimates a net gain of $200,000 in income for fiscal 1978.

The Office of Veterans' Services has instituted a program to pursue additional federal benefits for patients in state hospitals. The project is expected to generate $1.5-million annually. It has also established follow-up procedures to ensure timely collection of liens and assignments. This activity has an estimated potential of $2-million in one-time income.

EXECUTIVE OFFICE OF ELDER AFFAIRS

Of the eight task force recommendations directed toward this Secretariat, seven have been accepted. One was rejected because of a conflict with federal regulations. Five implementation projects have been completed including a reorganization of the Office of Administration and an expansion of the Office of Program Planning and Management. In addition, an Assistant Director of Intergovernmental Relations has been appointed and specific responsibilities of personnel in the community coordinator area have been redefined.

The task force strongly recommended that a monitoring unit be established to supervise the Home Care Corporations which provide the department with contracted services. The unit was established in September 1976 under the direct supervision of the Secretary of Elder Affairs. It will monitor the impact of all agency programs and is structured to ensure program compliance and quality.

The agency estimates a net saving of $147,735 has been realized through the elimination of 12 positions. Current projects include the revision of existing position descriptions and implementation of a specialized training program for service agency personnel. A data processing system for social service programs is being planned. While financial benefits from these projects cannot be quantified, implementation should improve overall management capabilities substantially.

EXECUTIVE OFFICE OF EDUCATIONAL AFFAIRS

The Executive Office of Educational Affairs is implementing 52 of its 71 recommendations through 32 project plans. Most of the projects are underway with 60% targeted for completion in 1977. Thus far, the Secretariat has achieved annual savings of about $2.3-million.

The most comprehensive project involves a strengthening of coordination and planning functions within the state's higher education system. It encompasses eight task force recommendations. Improved working relationships among the Board of Higher Education, Postsecondary Education Commission and Secretariat are one goal. An Executive Order has been issued to provide continuity of membership for the Postsecondary Education Commission, including direct public representation and statutory designates. A bill has been filed to establish a new Board of Overseers for the

state's colleges and universities, replacing the current Board of Higher Education. This action constitutes a major step in reorganizing governance and coordination in the public higher education system. The legislation specifies the following responsibilities for the new board: develop a long-range plan for public higher education within the context of economic realities; approve or disapprove academic programs; review budget requests of constituent institutions; monitor the articulation of minimum academic standards; and develop a comprehensive tuition plan.

Increased tuition for out-of-state residents has resulted in additional general fund revenues of $1.8-million. Defunding the Massachusetts Advisory Council on Education has produced an annual saving of $387,000 while reduced appropriations for the Division of Immigration and Americanization saved $130,000. In addition, three vacancies and two filled positions have been eliminated in the Secretariat for a cost reduction of $38,000.

Plans have been made to eliminate unnecessary positions in the state's institutions of higher education. The fiscal 1978 budget request projects a $2-million reduction in maintenance expenditures. Another review will be made to determine the impact of impending collective bargaining pay increases on the proposed budget.

The Department of Education has begun to develop long-range plans for education in the Commonwealth. It has also established six regional centers to direct its operational activities. Three procedural manuals — one on personnel supervision and staff development; one on program operations; and one on planning, evaluation and budgeting — have been drafted to assist staff in the regional reorganization. The department has also contracted for assistance in refining its audit capabilities. By June 1977, the Bureau of External Audit will have completed reviews of 138 school districts in the areas of special, occupational and bilingual education. This will be the department's first comprehensive audit of state programs and associated savings are estimated at $2-million.

The department is also merging the Office of Local Aid with the Office of Data Collection and Processing. The consolidated unit will provide internal resources for improved school management services in the Division of School Facilities and Related Services. It will be designated as the Office of Information Services. Transfer of the department's information processing activities to the Massachusetts State College Computer Network would save at least $100,000 annually after initial conversion expenditures.

A decentralized administrative structure is being established for the department. Support units which previously operated under three associate commissioners have been consolidated for reported savings of $50,000 to date. A project to centralize all fiscal processing activities has been finished and the document which local districts complete to receive aid payments was revised. As of September 1976, 95% of the districts had submitted their reports as compared to only 40% in the previous year.

EXECUTIVE OFFICE OF MANPOWER AFFAIRS

The Executive Office of Manpower Affairs accepted 36 of its 51 proposed changes while two are undergoing further study. Benefits as of year-end were $215,000 for the state and $20,000 for the federal government. One-time costs amounted to $37,000 in state and $29,000 in federal funds.

Legislation has been submitted to reorganize the Secretariat. As recommended by the task force, the Divisions of Employment Security and Industrial Accidents would be raised to department status and a Department of Manpower Development established to encompass the State Manpower Services Council, the Office for CETA Operations and a research and program development unit. However, it was felt that the Industrial Accidents Rehabilitation Board should not be abolished at this time. No decisions have been made as yet regarding a merger of the Labor Relations Commission and the Board of Conciliation and Arbitration. Two new positions requested by the task force — a budget/personnel specialist and a management systems position — have been funded by the federal government. In addition, legislation has been filed that requires disputing parties appearing before the Board of Conciliation and Arbitration to pay a fee of $50 each.

The Department of Labor and Industry is being reorganized and will have two major divisions: Occupational Safety and Health and Employee Economic Rights. Action taken thus far has produced a saving of $100,000 and full implementation may generate an additional $100,000. The Division of Industrial Safety has strengthened the supervisory role of its senior inspectors and designed an activity and backlog report form to assist in employee performance evaluations. An additional attorney has been hired in the Division of Administration. The bill to establish a $25 filing fee under the Fair Competition Bid law has been refiled since it failed to pass in the previous legislative session.

The Division of Statistics has not been eliminated as proposed by the task force. However, division personnel are working with the Division of Industrial Accidents to develop a data system which is expected to reduce operating costs by $100,000 to $200,000 per year. The anticipated cost of implementation is $25,000. A survey is being conducted to determine the feasibility of discontinuing the Census of Manufacturers as recommended by the task force. A $1 charge has been established on a trial basis for the Directory of Labor Organizations.

The International Trade Section of the Department of Commerce and Development has been eliminated. A new central typing operation will handle follow-up letters for the business contact program. The suggestion to use local chambers of commerce to hold meetings with small businessmen has been implemented and the charge for municipal monographs has been raised to $0.50.

The Division of Employment Security is working with the Executive Office for Administration and Finance to transfer responsibility for labor service eligibility lists to the division. The walk-in examination center for clerical jobs will also be relocated there. Together, the two projects are expected to generate new federal income of $100,000 to $150,000 per year. They should also produce savings in the operating expenses of the Division of Personnel Administration in the Executive Office for Administration and Finance. A systems development group has been established in the Division of Employment Security. It will take part in federal programs related to job matching, unemployment insurance contributions and on-line benefit payment systems. In addition, the division has improved verification of employer identification numbers. A new payroll system — purchased at a cost of $29,000 — is generating annual savings of $50,000. Both amounts are federal funds. All central office clerical functions relating to claims and benefit payments, including benefit accounting, have been consolidated into a claims processing operation.

The Industrial Accident Board has extended its hearings schedule and tightened criteria for postponing out-of-town cases in order to reduce current backlogs and produce more timely closings. Legislation to transfer the Public Employees Section of the board to the Executive Office for Administration and Finance is being resubmitted.

In addition, the Secretary of Manpower Affairs is working with the State Comptroller to implement an accounting procedure to allocate the cost of employee compensation claims to their respective agencies. Implementation should provide an annual saving of up to $3-million. Legislation is also being submitted to permit medical examination costs to be paid directly by insurers once approval is given by the Division of Industrial Accidents. The proposal to shorten the commissioner's term to seven years was rejected. However, the suggestion to utilize a selection committee to screen candidates is being implemented. Clerical operations have been improved through the addition of word processing equipment.

The net benefit, after subtracting rental expenses, is now $32,000 but this is expected to increase to more than $100,000 upon full implementation. The use of electronic equipment to record hearings testimony has produced an annual saving of $52,000. Attrition in the division and the Labor Relations Commission will increase the benefit to $100,000 eventually while the one-time cost of the equipment amounted to approximately $37,000.

EXECUTIVE OFFICE OF CONSUMER AFFAIRS

Thirty-six of the 42 recommendations made for this Secretariat have been accepted. As of year-end, the department's annual achieved benefits were $509,000 while one-time savings amounted to $3,000. Annual benefits are projected at $1.8-million. One-time benefits are expected to amount to approximately $89,000.

The task force recommended that three staff positions be added to the Office of the Secretary. As a result, the fiscal 1977 and 1978 appropriations have been increased. However, the total gain of $31,600 is only half the amount proposed by the task force.

The Division of Standards has filed legislation to establish a fee for calibrating weights and measures. This also increases charges for transient vendor and antifreeze sales permits.

The staffing pattern in the Consumer's Council has been revised as recommended. The council no longer handles individual consumer complaints and two field investigators have been freed to work on agency litigation activities. Steps have also been taken to eliminate duplicate intervention in hearings and litigation by the Attorney General's Office. The Secretariat has published a Consumer Resource Guide. The data, together with information provided by the Self-Help Information Program, will be used to obtain reports on complaints made to other state agencies. The project will be expanded to include monthly reports on businesses not currently regulated by the state as well as similar reports on complaints made to state agencies.

Legislation is being filed to transfer the Community Antenna Television Commission to the Department of Public Utilities. The commission is also supporting legislation to raise fee schedules to cover regulatory costs. Together, these projects should produce annual benefits of $60,000.

The task force proposal to reorganize the Department of Public Utilities has been accepted. Under the projected reorganization, accounting, rates and research, certificates of public convenience and necessity units would be placed under a Director of Regulation Complaints. Hearings engineering and administrative functions would become responsibilities of a Director of Administration. Implementation would reduce overall staff by three gas meter inspectors, two bus inspectors and two clerical

positions. In addition, licensing and inspection functions would be transferred to other state agencies. Activities related to commercial motor vehicles and bus licensing and inspection would be moved to the Registry of Motor Vehicles. Railway bridge examinations, railway signal, gas meter and common-carrier bus inspections as well as gas fitting regulation would be assigned to the Department of Public Safety. If the enabling legislation is passed, the resulting annual benefit could amount to approximately $860,500.

Action is also being taken to restructure the Board of Regulation within the Division of Registration. Implementation would allow the director to formulate administrative regulations standardizing board procedures, control board budgets, appoint clerical personnel and ensure more effective use of personnel through cross-training and transfers. The enabling legislation has been filed and is awaiting passage.

The Division of Registration has also filed legislation which would permit biennial renewal of licenses. In addition, it is investigating the feasibility of computerizing license and cash receipt functions. Mechanization of these activities would reduce clerical costs by 50% on an annual basis.

The Division of Banking and Loan Agencies has combined the examinations personnel of the Cooperative Bank, Credit Union and Savings Bank Divisions into a single unit. One-time training costs are estimated at $10,000 with an annual benefit projected at $40,000. The Division of Banking and Loan Agencies is also evaluating various means to improve current examination procedures. Consultant proposals are being reviewed and contracting is expected to be completed in March 1977. The division has also decided to leave six positions vacant for a cost avoidance of $37,000.

The fiscal 1978 budget request recommends the substitution of six higher grade positions for 27 unfilled bank examiner jobs. The annual cost avoidance would amount to $100,000. The establishment of a fee for mutual savings examinations is expected to produce $24,000 in new revenue, while elimination of the division's annual report will save from $20,000 to $37,000 per year.

The Division of Insurance has completed a major reorganization. As a result of this implementation project, the First and Second Deputy and the Deputy Commissioner now report directly to the Commissioner of Insurance. All administration and training activities have been delegated to the First Deputy. In addition, company licensing, examinations of life and fire and casualty companies and fraternal systems regulation have been combined in one unit. A State Rating Bureau has been established to carry out policy approval activities and complaint functions have been centralized under one supervisor reporting to the Deputy Commissioner. A supervisor, an inspector and two clerical positions have been eliminated as a result. In addition, the staff of the License Examination Section has been reduced by two positions and the vacancy in the Data Processing Section will not be filled. The Springfield office will be reduced to six professionals and one clerical position. Finally, visits to agents and brokers have been eliminated and examinations will be limited to special cases. Overall, the reorganization is expected to generate annual savings of $277,000, of which $156,000 has been realized to date.

The division has also accepted three recommendations related to changes in licensing procedures. They include licensing brokers, advisors and adjusters for five-year periods, licensing insurance companies for five years with staggered renewal dates and extending agents' licenses to five years. The enabling legislation has been filed and associated benefits are projected at $35,000. Additional legislation to increase fees for licenses, charters and valuations should yield increased revenues of about $157,000 per year.

EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS

The Executive Office of Environmental Affairs has accepted 26 of its 70 recommendations, rejected 18 and will conduct further studies on 26. Nine of the Secretariat's 35 project plans have been completed to date.

Efforts are underway to improve the system for selecting and monitoring consulting services. Samples of agency contracts have been submitted to the Secretariat for review and various consultants have been contacted to offer suggestions on revised form designs. A statewide recreation policy is being developed which will establish utilization criteria for new facilities. It will define relationships between state and local authorities in regard to facility maintenance and control and review current cost distributions. Implementation will enable the Secretariat to determine the need for such facilities more effectively. A one-time cost avoidance of $2.5-million in federal and local funds is anticipated.

A management planning and tracking system is being used by the Department of Environmental Quality Engineering to establish long-term objectives, monitor accomplishments and measure work loads. As part of the implementation effort, all payroll activities have been centralized and training has been provided to department personnel. Levels of expertise required for certain types of tasks have been developed and the department has formulated a new staffing arrangement to increase overall output.

The Department of Fisheries, Wildlife and Recreational Vehicles has completed a project to minimize idle balances in its fish and game funds and increase investment returns. With the assistance of the State Treasurer, revenues have grown from $3,000 to $28,000. Procedures for issuing recreational vehicle registrations have also been improved. In addition, a computer-generated list of boat registration numbers with owners' names and places of residence is now available for excise tax purposes.

The Department of Food and Agriculture has filed reorganization legislation to eliminate overlapping activities and reduce the overall number of operating divisions. A bill has also been filed to stagger renewal dates for milk dealer licenses.

The Metropolitan District Commission has completed a project to improve control of receipts and rental fee collections at skating rinks and zoos. An automated accounts receivable system has been implemented to improve cash flow and provide income analyses. Fee schedules for state parks, beaches and skating rinks have been increased and the additional annual revenue is projected at $780,000. Rents for employee residences have been raised for an increase of $20,000 annually.

EXECUTIVE OFFICE OF COMMUNITIES AND DEVELOPMENT

To implement the four task force recommendations proposed for this Secretariat, the Executive Office of Communities and Development designed eight separate projects. All but one have been completed, resulting in an annual saving of $405,000.

Although the Secretariat decided not to eliminate the Commonwealth Service Corps as proposed by the task force, it matched the anticipated benefit by cutting administrative

costs by $119,000. Overall, the office was able to reduce its staff by 22 positions for an annual saving of $270,000 and an annual cost avoidance of $16,000. Several organization changes were made to achieve this result. The Office of Minority Business Assistance was transferred to the Department of Commerce and Development in the Executive Office of Manpower Affairs. The Office of Policy Program Development was elevated to independent status within the Secretariat and an Office of Management and Fiscal Services was established. The new unit combines personnel, central support and fiscal services to provide improved administrative capabilities for the rest of the Secretariat. One draftsman position was eliminated in the Division of Community Services.

In order to streamline their program efforts, the Executive Offices of Communities and Development and Elder Affairs have signed a memorandum establishing an ongoing coordination activity. In addition, the Secretary of Communities and Development met with the Secretary of Human Services to discuss ongoing cooperative arrangements in the areas of deinstitutionalization, job creation and public housing.

One task force recommendation proposed legislation to transfer bond financing activities of the Secretariat to the Executive Office for Administration and Finance. Since the State Treasurer already has statutory responsibility for a wide range of financing activities, the bond financing was reassigned to that office.

EXECUTIVE OFFICE OF TRANSPORTATION AND CONSTRUCTION

Eighty recommendations were made for this Secretariat. Of that number, 50 were accepted. Implementation is expected to provide benefits of more than $1-million to the state and approximately $1.3-million to federal and local governments. To date, annual returns total more than $646,000 in state funds and nearly $1.3-million in federal and local revenue.

A consolidated Department of Transportation was a major task force proposal. The approval of the Park Plaza Project has provided an appropriate site for a centralized facility. The result should be improved coordination among the department's various planning, engineering and right-of-way functions.

The Department of Public Works has filed legislation to make district highway engineers appointive positions. It has also initiated an internal audit function. Funding restraints have delayed work on the central inventory control system, but standard prices are being established for highway accident repairs. Staff reductions in the department's security force are saving $48,000 in state and $7,000 in federal funds on an annual basis. Legislation has been filed to merge this force with the Capital Police.

A request has been made in the fiscal 1978 budget for a new position of fleet administrator. When the position is filled, the administrator will monitor use of the 10 department motor pools. In the meantime, the department has established a safety compliance committee to improve fleet safety results. Public auctions are being held to dispose of excess equipment and the department is implementing a statewide bulk fuel program at a one-time cost of $740,000. Scheduled for completion in early fiscal 1978, the program is expected to save the state $285,000 per year. Equipment modifications to department salt spreaders and snowplows are also in process.

The department has placed an overhead limit of 110% on all consulting contracts negotiated after May 1976. This ceiling should save the state $125,000 annually. Work

has also started on a maintenance management system which should be operational in mid-1978. Distribution of district equipment cost reports began in the fourth quarter of 1976. The department is now investigating the potential for establishing various fees for special permits and is considering contracting for the maintenance of street lights. A pilot program is underway in one district to test the feasibility of doing maintenance work on the night shift.

The executive staff of the Massachusetts Port Authority has been reorganized. It now includes an administrative director, a marketing director and an office manager. A new position, land-use planning director, has been established to inventory all MassPort properties and coordinate them with future development plans. A cost center budgeting system is in operation and should make managers more accountable for their unit's financial performance. By adding to its legal and environmental analysis capabilities, the authority will be able to reduce its use of contracted services. Improved collection activities, particularly in regard to key seaport accounts, have added $60,000 per year to authority revenues. Dues and subscription functions are now centralized and the authority expects to revise its purchase order forms by July 1977. Standard-size vehicles are being replaced by compacts and replacement intervals have been lengthened. Work is progressing in other areas to institute a comprehensive vehicle management program for the authority.

The installation of equipment to permit direct bank deposits should increase this return by 1978. Bank accounts have been consolidated, based on a recent study, permitting a 25% reduction in their overall number. A federally funded project is underway to phase out the authority's power facilities by 1980.

The authority has adopted all of the task force proposals for the prepaid pass system except the one related to retail sales. The result has been a net annual increase of $30,000 in revenues. Two positions have been eliminated in the Personnel Department for a cost reduction of $38,000 annually. A separate director, responsible to the authority's chairman, has been appointed to enforce recommendations from the Safety and Training Department. As a result, the projected accident reduction of 5%, with an associated annual saving of $78,000, appears attainable. The bus fleet has been reduced to 1,037 vehicles. The net financial impact is estimated at $256,000 for state and local governments plus $1-million in federal capital funds. A one-time income of $368,000 was realized through the sale of fleet buses. In addition, a program is underway to replace authority vehicles with compact cars and four-wheel drive trucks for an additional saving of $26,000 per year.

A computerized general ledger system was put into operation by the Massachusetts Turnpike Authority in early 1977. Proposals for a cost accounting system will be solicited later this year. The total expenditure for this mechanization effort is estimated at $50,000. The program to replace authority cars with intermediate and compact models is producing an annual saving of $34,000.

EXECUTIVE OFFICE OF PUBLIC SAFETY

Of the 65 proposals made for the Executive Office of Public Safety, 41 were accepted for implementation. Three of these recommendations were reassigned to the Executive Office for Administration and Finance.

In early September, Governor Dukakis established the Public Safety Council, under the leadership of the Secretary of Public Safety, to consolidate services and eliminate duplicate activities. The council has been meeting monthly to make recommendations

for support service consolidations. Initial emphasis has been placed on communications, pooling of resources, report standardization and legislative coordination. Legislation has been filed to institute many of the fee changes proposed for the Secretariat. Increases related to regulatory boards, Sunday licenses, inspections and certification, report copies and late registrations could generate as much as $1-million annually in additional revenue.

Both the Department of Public Safety and the State Lottery Commission filed bills to transfer the licensing of raffles and bazaars to the commission. Since the bills failed, new legislation will be filed. A bill has also been filed to permit the Commissioner of Public Safety to appoint detective commanders and detective supervisors to the Bureau of Investigative Services. Associated savings are projected at $240,000. Legislation is also pending which would permit issuance of summonses with a pay-by-mail waiver and increase minimum speeding fines. Passage will increase local revenues and reduce the amount of time police officers must spend in court. A paperwork simplification board has been established in the department to streamline department procedures.

The Inspections Division has filed a bill to return responsibility for writing building codes and inspecting public schools to the Department of Public Safety. Passage will help consolidate safety-related inspection and licensing functions under a single authority. To ensure coordinated inspections, supervisors have been assigned to review specific facilities. In addition, life safety and elevator inspection staffs have been increased as recommended.

Legislation is pending which would establish specific criteria for the position of Fire Marshal, a post which would be filled by gubernatorial appointment. This same bill also proposes a restructuring of division operations.

The Registry of Motor Vehicles has undertaken a multiphased project to update its data processing systems and move toward real-time line entries for registrations and operators' licenses. The project is scheduled for completion in 1978. The establishment of a merit rating plan for automobile insurance has had a substantial effect on the operations of the insurance unit. Recommendations regarding mandatory insurance laws will be reevaluated when data on the impact of merit rating is available. Legislation has been filed to require proof of excise tax payment when registration plates are issued. Passage will increase local revenues while decreasing associated collection efforts.

The Massachusetts Civil Defense Agency is taking steps to make its training academy self-sufficient. Legislation has been filed to remove the agency from the jurisdiction of the Military Division. The division itself is developing a long-term plan for improved utilization of its armories. The plan is expected to be ready by September 1977.

SECTION III

STATISTICAL INFORMATION

THE GOVERNOR'S MANAGEMENT TASK FORCE
SUMMARY OF FINANCIAL IMPACT
DECEMBER 1976

General Government and Secretariats	Net Financial Impact (000)											
	GMTF Report				Agency Estimate				Actual Achieved			
	State		Federal/Local		State		Federal/Local		State		Federal/Local	
	Annual	One-Time	Annual	One-Time	Annual	One-Time	Annual	One-Time	Annual	One-Time	Annual	One-Time
Office of the Governor	$ 161	$	$	$	$ 150	$	$	$	$	$	$	$
State Secretary	1,065				1,275				350			
Administration and Finance	54,023	(5,167)			22,959	(1,847)	764	(274)	13,283	(92)	350	(24)
Human Services	153,281	21,254	47,288	2,833	79,861	(1,189)	35,915	(324)	30,330	(1,111)	8,506	(97)
Elder Affairs	402		60		148				148			
Educational Affairs	15,267	15,872	89		10,222	1,442	(10)		2,297	1,442		
Manpower Affairs	2,531	(87)	849		4,449	(65)	145	(29)	215	(37)	20	(29)
Consumer Affairs	2,262	(15)			1,787	89			509	3		
Environmental Affairs	2,480	2,465	7,918	5,450	82		(1,108)		32			
Communities and Development	405				405				405			
Transportation and Construction	11,866	(610)	8,729	20	1,014	(1,141)	1,293	(75)	646	119	1,293	(75)
Public Safety	6,484	(215)	(37)		1,671	(161)	1,128	(300)	522			
Totals	$250,227	$ 33,497	$ 64,896	$ 8,303	$124,023	$ (2,872)	$ 38,127	$ (1,002)	$ 48,737	$ 324	$ 10,169	$ (225)

The Department of the State Treasurer is submitting a separate report.
Parentheses denote net cost.

THE GOVERNOR'S MANAGEMENT TASK FORCE
RECOMMENDATION ANALYSIS
DECEMBER 1976

General Government and Secretariats	GMTF Total	Recommendation Status				Project Status			
		Accepted	Modified	Under Study	Rejected	Total	Completed	In Process	Inactive
Office of the Governor	7	3	3		1	6	1	5	
State Secretary	12	3	7		2	10	4	6	
Administration and Finance	195	52	96	26	21	116	43	58	15
Human Services	192	62	60	27	43	172	45	105	22
Elder Affairs	8	6	1		1	12	5	7	
Educational Affairs	71	13	39	3	16	32	5	13	14
Manpower Affairs	51	14	22	2	13	22	7	15	
Consumer Affairs	42	16	20	2	4	23	6	16	1
Environmental Affairs	70	13	13	26	18	35	9	16	10
Communities and Development	4	1	3			8	7	1	
Transportation and Construction	80	30	20	2	28	52	20	30	2
Public Safety	65	23	18	14	10	29	5	20	4
Totals	797	236	302	102	157	517	157	292	68

The Department of the State Treasurer is submitting a separate report on its 10 recommendations.
Project plans may encompass several recommendations and recommendations may appear in more than one plan.